IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH.

I.T.R. No.119 of 1997
Date of decision: 31.10.2006

Commissioner of Income Tax, Ludhiana.

---Applicant

Vs.

Vardhman Spinning and General Mills Ltd., Ludhiana.

-----Respondent

CORAM:- HON'BLE MR JUSTICE ADARSH KUMAR GOEL

HON'BLE MR JUSTICE RAJESH BINDAL

Present: Mr. S.K. Garg Narwana, Advocate
for the revenue.

ORDER:

Following questions of law have been referred for opinion of this Court by the Income Tax Appellate Tribunal, Chandigarh Bench, Chandigarh arising out of its order dated 24.02.1997 in I.T.A. No.77/Chandi/91 in respect of assessment years 1983-84:-

> "1. Whether on the facts and in the circumstances of the case, the Tribunal was right in law in allowing ESA on generator and weighing scale?"
> 2. Whether on the facts and in the circumstances of the case, the Tribunal was right in law in allowing investment allowance on racks by treating the same as part and parcel of plant and machinery?"

We find that the question has been gone into by this Court in ***CIT v. Saraswati Industrial Syndicate Limited,*** (2001) 257 ITR 779 and ***The Commissioner of Income Tax, Amritsar v. M/s Deva Singh Sham Singh, Amritsar***, ITR No.564 of 1995, decided on 30.10.2006.

Accordingly, the questions referred are answered against the revenue and in favour of the assessee.

Reference is disposed of accordingly.

(ADARSH KUMAR GOEL)
JUDGE

October 31, 2006
ashwani

(RAJESH BINDAL)
JUDGE